

SENATE BILL 3194

By Finney L

AN ACT to amend Tennessee Code Annotated, Title 12,
Chapter 3, Part 10, relative to cooperating
purchasing.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 12-3-1009, is amended by designating the current language as subsection (a) and adding the following new language, to be designated as subsection (b):

(b) Any municipality or municipal agency may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of any supplies, services, or construction with one (1) or more other local governments within this state or outside this state, to the extent the laws of the other state permit the joint exercise of purchasing authority, in accordance with an agreement entered into between or among the participants. A municipality may participate in a master agreement by adopting a resolution accepting the terms of the master agreement. If a participant in a joint or multi-party agreement is required to advertise and receive bids, then it will be deemed sufficient for those purposes that the purchasing entity or the entity that procured the bid complied with its own purchasing requirements.

SECTION 2. Tennessee Code Annotated, Section 12-3-1004, is amended by deleting subsection (b) in its entirety and substituting the following:

(b)

(1) Any local education agency (LEA), municipality, county, utility district, or other local governmental unit of the state may purchase equipment under the

same terms of a legal bid initiated by any other LEA, municipality, county, utility district, or other local governmental unit of this state.

(2)

(A) Any LEA, municipality, county, utility district or other local governmental unit of this state may purchase directly from a vendor the same equipment at the same price and under the same terms as provided in a contract for such equipment entered into by any other LEA, municipality, county, utility district, or other local governmental unit of this state.

(B) Any LEA, municipality, county, utility district, or other local governmental unit of the state which purchases equipment under this subsection (b) shall directly handle payment, refunds, returns, and any other communications or requirements involved in the purchase of the equipment without involving the entity which originated the contract. The originating entity shall have no liability or responsibility for any purchases made by another entity under a contract which the originating entity negotiated and consummated.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.